



Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact support@jstor.org.

112 Fed. 35, that an adjudication in bankruptcy which resulted in depriving the bankrupt broker of stock which he had agreed to transfer, amounts to a breach, is referred to without criticism in *In re Imperial Brewing Co.*, *supra*. The Supreme Court would probably not hold bankruptcy to be an anticipatory breach where it appears that the bankruptcy proceedings have not impaired the ability of the bankrupt to perform his part of the contract. But it is to be regretted that the rule of the court, in the principal case, even as thus limited and however beneficial it may be in other respects, furnishes a rather simple method for an unscrupulous insolvent debtor to defraud his creditors by making "improvident" executory contracts with his confederates.

BANKRUPTCY—POWER OF DISTRICT COURT TO DETERMINE VALIDITY OF TAXES.—A corporation made a padded return of its assets to the state tax commissioner. Later the corporation was adjudicated bankrupt. *Held*, the claim of the state for the amount of the assessment based on the padded return should not be allowed. *In re E. C. Fischer Corp.* (1915) 229 Fed. 316.

§ 64 of the Bankruptcy Act, which gives priority to claims for taxes, provides that the bankruptcy court shall have the power to determine the amount and legality of such taxes. The Supreme Court of the United States held that this provision gave the bankruptcy court power to review a tax assessed by a state board upon a corporation which failed to make a tax return although the state statute provided that such tax should be final. *New Jersey v. Anderson*, 203 U. S. 483. In *In re Otto Freund Arnold Yeast Co.*, 178 Fed. 305, the tax was regularly assessed and levied and was neglected up to a time when under the state law no review or objection to the legality of the tax was possible, but the court held that the statutory legality of the tax from the standpoint of regularity is no bar to the bankruptcy court's power to determine whether the property supposed to be taxed actually existed. *Accord: In re Selwyn Importing Co.* (D. C.) 18 Am. B. R. 190; *In re Heffron Co.*, 216 Fed. 642. But in *In re Bushnell*, 215 Fed. 651, the court was of the opinion that the failure of the bankrupt to pursue the remedy allowed by the statute of the state deprived his trustee of the right to complain that the assessments are excessive. In this case, as in the principal case, the assessments were based upon the valuation as evidenced by the bankrupt's returns. In those cases cited *supra*, in which the state's claim was not allowed, the courts took the view that the jurisdiction of the bankruptcy court to determine the amount and legality of the tax is not barred by the fact that the tax was assessed, levied and declared to be proper by competent state authority. The effect of such a holding is to give the trustee a greater right than the bankrupt himself had, so far as jurisdictional questions are concerned. The principal case, however, goes much further in holding that the padded tax return does not estop the trustee, although it would have estopped the bankrupt before the institution of the bankruptcy proceedings.

BILLS AND NOTES—BONA FIDE PURCHASER.—The officers of the defendant corporation each morning signed in blank sufficient checks to meet the demands of the day. These checks were kept in the office under conditions that